



December 13, 2017

*Department of Environmental Quality
Division of Waste Management
Solid Waste Disposal Tax Overview*

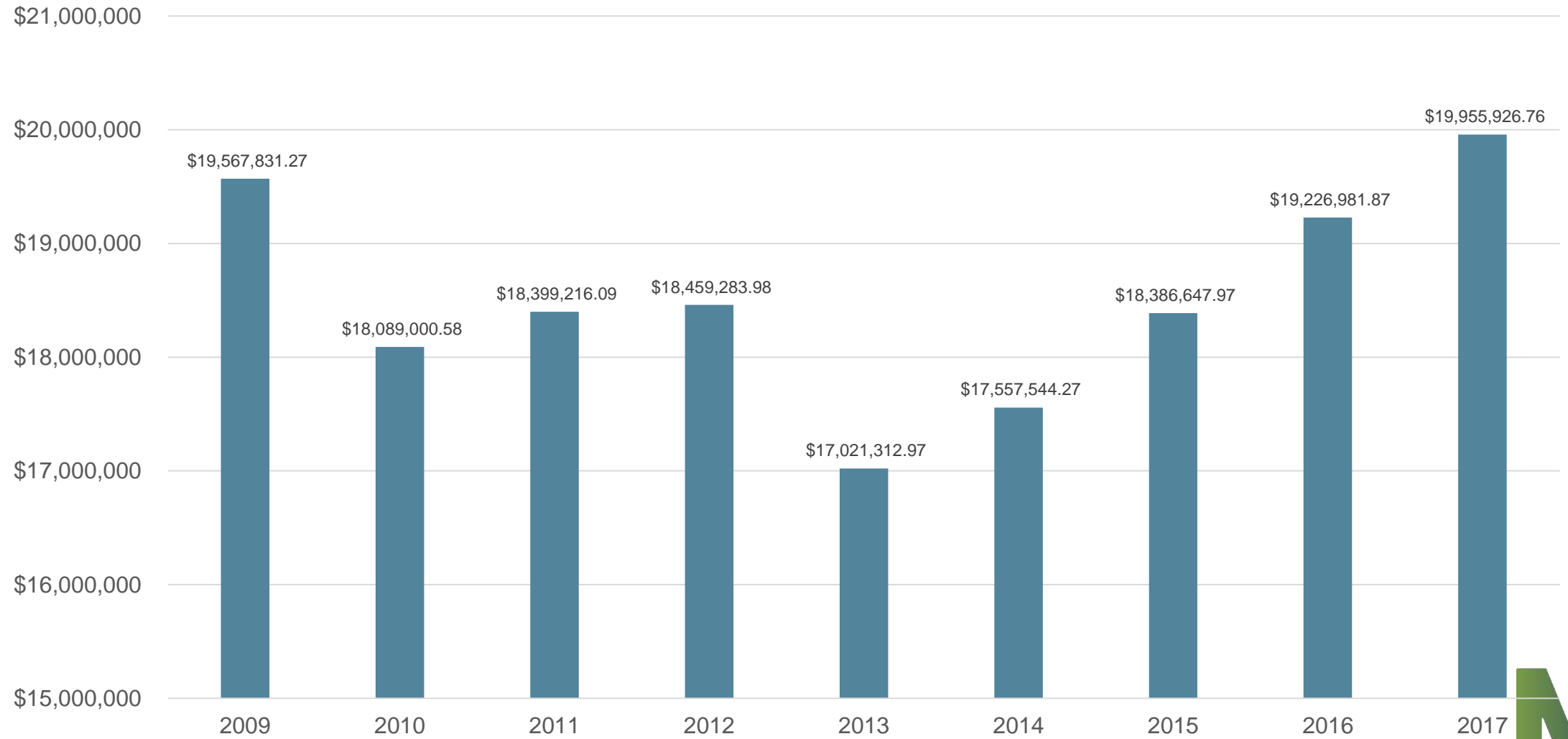


Solid Waste Disposal Tax

- Created in 2007 by Senate Bill 1492 (Session Law 2007-550) and implemented July 1, 2008
- \$2/ton tax imposed on the disposal of municipal solid waste in NC landfills and on the transfer of waste outside of the state for disposal
- Current allocation of proceeds (§ 105-187.63):
 - 50% to the Inactive Hazardous Sites Cleanup Fund established by § 130A-310.11 and as administered by the Division of Waste Management Superfund Section
 - 37.5% to cities and counties in the state that provide solid waste management programs and services on a per-capita basis
 - 12.5% to the General Fund (12.5% of net proceeds were distributed to Solid Waste Management Trust Fund from FY 2008-09 through FY 2012-13)

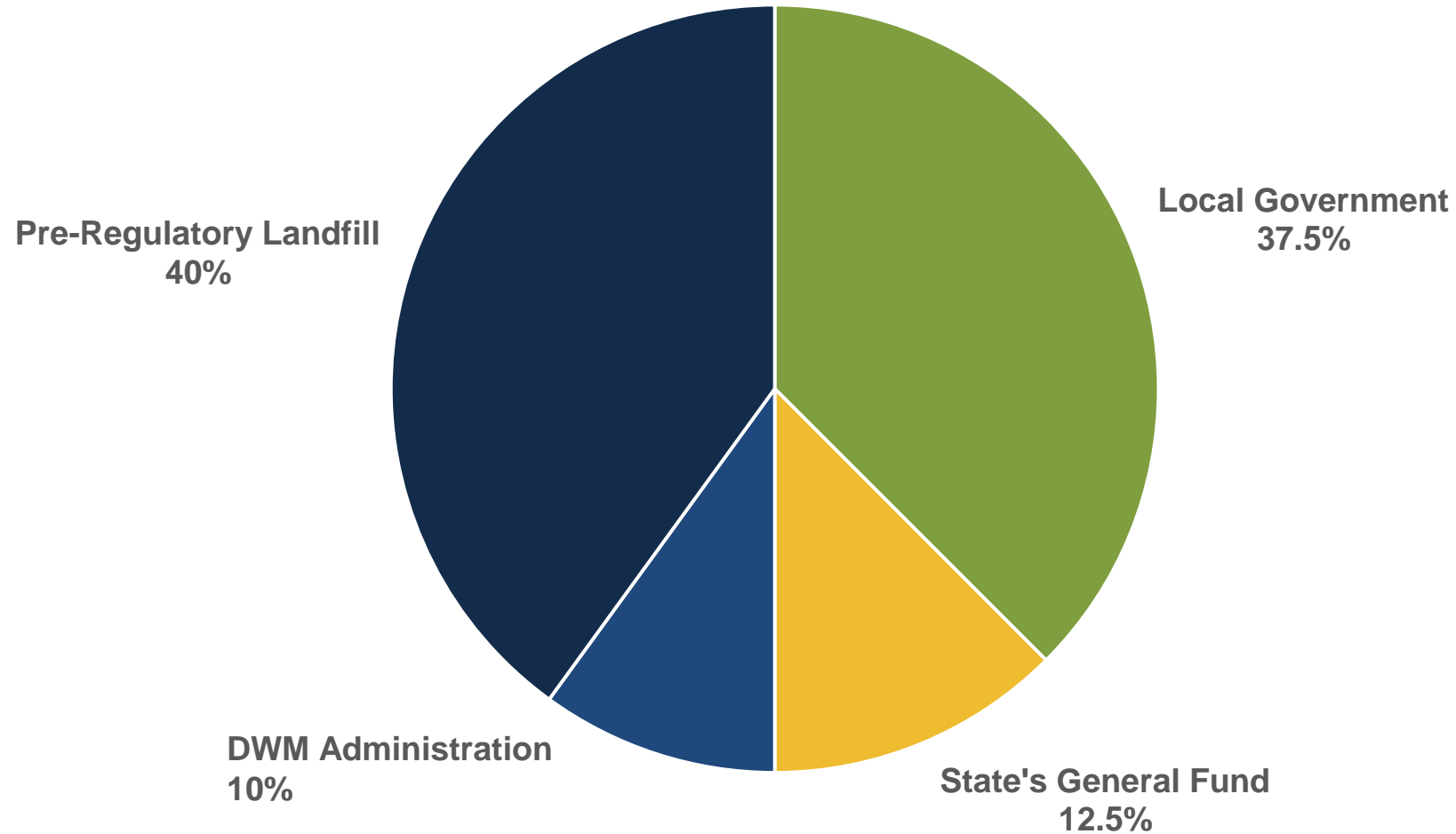


Solid Waste Tax Revenue



Current Solid Waste Disposal Tax Distribution

\$2.00/ton (less department of revenue administration expense)



677 PRE-1983 LANDFILLS



Holly Springs Dump – Residential development on adjacent property

- Uncontrolled mixture of solid and hazardous wastes and asbestos containing materials
- Received hazardous wastes from local industry and businesses
- No regulations for disposal or construction and no records of their boundaries
- Uncontrolled hazardous vapors and explosive gas
- Unstable eroded slopes, exposed waste
- No prohibition on land use over the waste disposal area

Hazards Are Neither Visible Nor Easy to Locate

- 77% have drinking water supply, residence, school, church, daycare or park located within 1000 feet of the landfill
- Groundwater contamination affecting drinking water supplies
- Leachate, contaminated groundwater and unstabilized waste discharging to creeks
- Direct contact with contaminated soils and hazardous materials such as asbestos
- Hazardous substance vapors from contaminated groundwater and wastes migrating to homes
- Explosive levels of methane at larger volume sites



The Program uses a risk management approach to make best use of available funds

- Money spent early to identify and locate risks allows the Program to target remediation dollars to where they count most, preventing waste and delay.
- Comprehensive investigations insure that imminent risks, such as contaminated wells, asbestos, or explosive vapors are mitigated early.
- Detailed investigations lead to cost-effective, permanent remedial designs: better engineered covers, erosion proof slopes, and offsite disposal of the more harmful wastes.
- Investigations are conducted to support safe permanent land use controls that allow the broadest range of future uses.



Delineation Phase Assessment

Sampling for chemical analysis and other investigative procedures determine the nature and extent of hazardous substances, and their risks



Testing Drinking Water and Alternate Supplies

1,010 Drinking Water Supplies Sampled (through FY 2017)



Asbestos Removal



Testing for Harmful Vapors



Landfills Often Located in Flood-Prone Areas



Kinston Demolition Landfill in Neuse Floodplain



Waste deposited in new locations due to flooding

Remediation Often Includes Better Engineered Covers

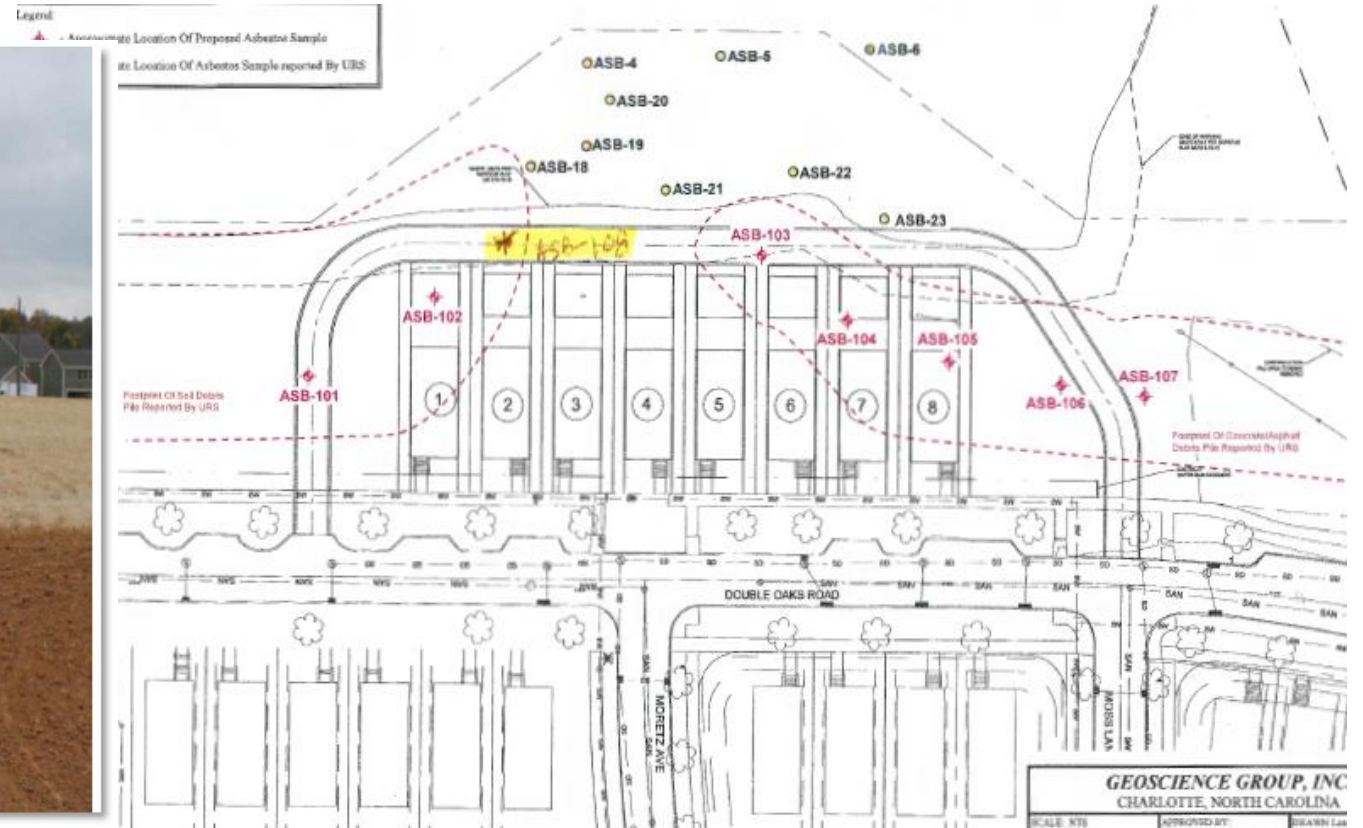


Warning
Barrier

Clean Cover Soil

Engineered
Slopes and
Sedimentation
Control

Remedies Increase Redevelopment Value



Examples of Current Sites with Planned Reuse

Site

Airport Road Landfill (Forsyth)
Cary Dump (Wake)
Old Raleigh #11 (Dorothea Dix) (Wake)
East Wake Landfill (Wake)
Flemington (New Hanover)
Greensboro City Landfill (Guilford)
Henderson Co. If (Henderson)
Holly Springs Dump (Wake)
Le Myers Park (Cabarrus)
Monroe Landfill (Union)
 Mooresville Landfill (Cabarrus)
Mud Creek Dump (Henderson)
Old Charlotte/Vanguard landfill (Mecklenburg)
Old Raleigh #3 (Brookside Dr.) (Wake)
Old Raleigh #4 (Dunkin Donuts) (Wake)
Old Raleigh #9 (Howard Johnson) (Wake)
Oxford Dump (Granville)
Plymouth Refuse Dump (Washington)
Reidsville Landfill (Rockingham)
Reynolds School (Haywood)
Statesville Road (Mecklenburg)
Town of Wrightsville Beach Old Landfill (New Hanover)

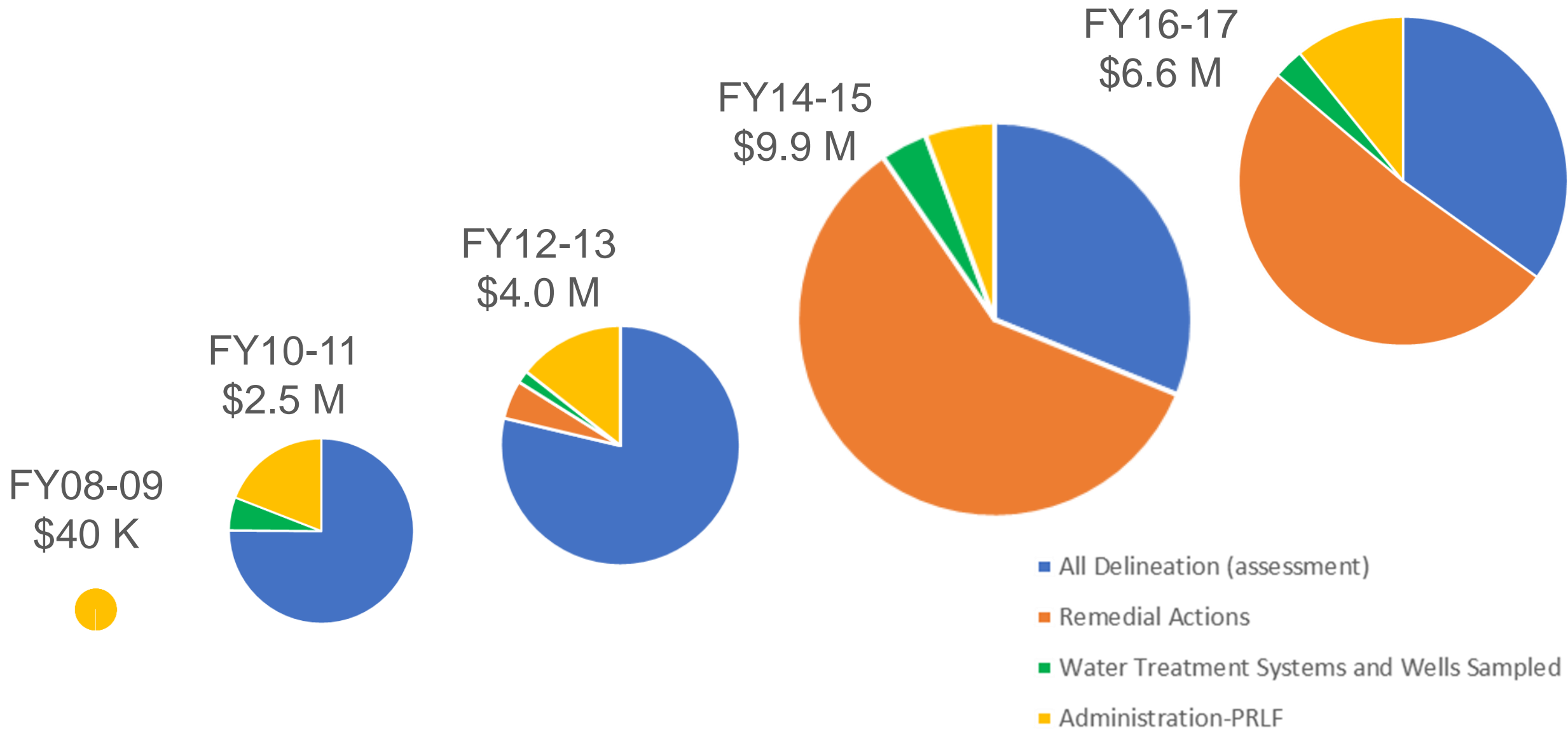
Development

Runway expansion
Recycling center
Public park
Light industrial
Soccer fields
Road extension
Road extension
Residential subdivision
Park improvements
Equipment storage
Used car lot
Greenway
Developer considering options
Apartments
Park, greenway
Hotel
Commercial/light industrial
Park improvements
Recycling center
Community center
Mixed use
Commercial



Activities	Pre-Regulatory Landfill Fund Expenditures										
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	Cumulative Completed Actions	Cumulative Cost
Assessments		\$335,836	\$1,511,779	\$1,785,340	\$3,158,449	\$3,100,426	\$3,010,831	\$3,153,234	\$2,046,029	322	\$18,101,922
Local Government Assessments Ongoing		\$22,325	\$353,388	\$78,912	\$0	\$96,746	\$70,215	\$147,915	\$243,271	24	\$1,012,773
Remediations			\$1,966	\$1,899	\$209,201	\$3,374,693	\$5,845,590	\$3,854,400	\$3,365,019	11	\$16,652,767
Homes Provided Alternate Water or Treatment Systems Maintained		\$577	\$750	\$56,220	\$25,061	\$52,533	\$56,109	\$83,020	\$72,749	121	\$347,019
Water Supply Wells Sampled		\$2,841	\$142,486	\$172,793	\$42,766	\$401,224	\$325,191	\$153,654	\$123,597	1,010	\$1,364,552
Administration-PRLF	\$46,846	\$388,310	\$474,158	\$503,510	\$578,009	\$560,515	\$564,745	\$648,546	\$709,131		\$4,473,770
Total PRLF Program Expenses	\$46,846	\$749,888	\$2,484,525	\$2,598,674	\$4,013,486	\$7,586,137	\$9,872,682	\$8,040,768	\$6,559,795		\$41,952,802

Program Expenditures – Investigations Lead to Remedies



Expenditure Forecast through Fiscal Year 2018-2019

PRE-REGULATORY LANDFILL PROGRAM				
Remedy Forecast				
Site	County	FY 17 -18	FY 18-19	
Bingham Park	Guilford	\$400,000.00	\$1,400,000.00	
Bud Holding	Guilford	\$90,000.00	\$25,000.00	
Cannon Mills	Rowan	\$2,000,000.00	\$3,225,000.00	
City of Wilson-1	Wilson	\$170,009.00	\$900,000.00	
Closed City of Henderson	Vance	\$1,050,000.00	\$1,150,000.00	
Cumberland Co. If	Cumberland	\$630,000.00	\$60,000.00	
Elon College	Alamance	\$100,000.00	\$500,000.00	
Fairview	Buncombe	\$1,435,688.00		
Flemington	New Hanover	\$1,020,000.00	\$1,000,000.00	
Hildebran	Rutherford	\$78,000.00		
Holly Springs	Wake	\$875,000.00	\$500,000.00	
J.H. Winston	Franklin	\$750,000.00	\$200,000.00	
Mangum Estates	Wake	\$400,000.00	\$500,000.00	
McAdenville	Gaston	\$453,000.00	\$2,500,000.00	
Money-Worth	Buncombe	\$500,000.00	\$500,000.00	
Old Raleigh #3	Wake	\$18,000.00		
Rolesville Dump	Wake	\$178,000.00		
Spring Hope	Nash	\$900,000.00	\$300,000.00	
Stedman Dump	Cumberland	\$750,000.00	\$100,000.00	
W. C. Beck	Durham	\$30,000.00		
Albemarle	Stanly		\$500,000.00	
Belltown Rd	Craven		\$250,000.00	
E. H. Glass	Guildford		\$200,000.00	
Kinston	Lenoir		\$200,000.00	
Littleton Dump	Halifax	\$500,000.00		
Marbery	Durham		\$250,000.00	
Mt. Holly	Gaston		\$500,000.00	
Old Charlotte/Vanguard	Mecklenburg		\$500,000.00	
Old Raleigh #11, Dix	Wake		\$750,000.00	
Tin Mine If	Lincoln		\$500,000.00	
	Total	\$12,327,697.00	\$16,510,000.00	

Pilot Study – Reduced Staff Oversight

- Pilot study underway with two State contractors having reduced DEQ oversight
- 4 priority sites were selected, 2 large (>20 acres) and 2 small (~1acre) landfills
- The Study will provide hard data to compare efficiencies and effectiveness

Challenges

- Contract process too lengthy
- Owner development without knowledge of hazards
- Owner not disclosing to buyers
- Permits - inconsistent time to obtain
- Public concern
- Access permission
- Rate of completion

Solutions

- Developed a universal contract reducing time to enter into contracts by more than half
- Notified local planning departments and state agencies involved in permits related to development
- Streamlined some routine permitting processes with NC DOT and Division of Water Resources
- Set-up protocol for early coordination with US Army Corp of Engineers and the Division of Water Resources
- Prepare Fact Sheets and hold public informational sessions
- Additional staff added to manage projects
- Pilot Study to test less DEQ oversight of work

MANGUM ESTATES – WAKE COUNTY

Pre-1983 landfill site was discovered during an U.S. EPA investigation in a residential neighborhood. Water supply wells located near the disposed waste contained contamination greater than national drinking water standards. Treatment systems were installed and the PRLF program worked with the developer to safely remove the waste and restore the land and provide water to affected property owners from a safe water source. Remedial actions rendered a parcel safe for residential construction.



CENTRAL PARK – FORSYTH COUNTY

An 11.5 acre landfill in an urban setting. Spent lead battery casings were identified on and within the disposed waste and near soccer fields. Remedial actions included removal of the lead contaminated materials 19,249 tons in soil, waste and sediments in the stream were removed and disposed offsite. Slopes were stabilized and land use restrictions run with the land. Removal areas also included utility corridors and a future storm water retention facility.



LAKE LURE DUMP – TRANSYLVANIA

A 2.5 acre dump formerly operated by the Town of Lake Lure. The slope of the dump was unstable causing waste materials to fall into the stream. Remedial activities included consolidation of waste in the stream, stream bank and land use restrictions. The resulting land improvements provide usable space for a charter school and future public library.



LOCAL GOVERNMENT REIMBURSEMENT PROJECT

MUD CREEK DUMP – HENDERSON COUNTY

During the City of Hendersonville's sewer installation project, waste materials were encountered and reported to the PRLF program. The discovery of the additional waste disposal areas prompted the city to conduct an assessment under an approved plan to determine the extent of disposed waste and receive reimbursement for those costs. Because the waste disposal areas were confirmed to include the ball park and under some residential properties, a public information session was jointly held to inform concerned citizens. Investigative activities continue to determine the nature and extent of contamination associated with the presence of the dump.



Solid Waste Trust Fund and Local Government Funds



Solid Waste Management Trust Fund

- Created by Solid Waste Management Act of 1986 (SB 111)
- Repealed by Session Law 2013-360 effective start of FY 2013-14
- Purpose was to support a range of solid waste management activities including:
 - Technical assistance to local governments, businesses and state agencies on solid waste and recycling issues
 - Recycling market development
 - State grants to counties, municipalities, state agencies and recycling businesses for recycling
 - Public waste reduction and recycling outreach programs
 - Support for the operational costs of State Recycling Program and its division within DEQ/DENR (DPPEA, DEAO, DEACS)



Solid Waste Management Trust Fund, cont.

- During its existence, the Solid Waste Management Trust Fund was funded primarily from:
 - Scrap Tire Disposal Tax (8% of net proceeds)
 - White Goods Disposal Tax (8% of net proceeds)
 - Solid Waste Disposal Tax (12.5% of net proceeds)
- Upon repeal of the Solid Waste Management Trust Fund these revenues were redirected to the General Fund
- Solid Waste Management Trust Fund activities and expenditures were reported annually to the General Assembly in the State Solid Waste and Materials Management Annual Report

Use of Solid Waste Disposal Tax Funds by Local Governments

- 37.5% of net disposal tax proceeds distributed quarterly to eligible cities and counties on a per-capita basis by Department of Revenue
 - 50% of revenue split among eligible counties
 - 50% of revenue split among eligible municipalities
- To be eligible, the city or county must provide solid waste management services
- Solid waste disposal tax proceeds received by cities and counties must be used “solely for solid waste management programs and services” (§ 105-187.63(2))



Local Government Use of Disposal Tax Proceeds

- Local governments are required to report annually about the costs of solid waste management programs and the methods of financing those costs (§ 130A-309.09A(d)(7))
- Responses in annual reports indicate that disposal tax is an important source of revenue to local governments
- Cities and counties use Solid Waste Disposal Tax proceeds in following ways:
 - To help pay for the cost of providing waste collection and disposal
 - To help fund waste reduction and recycling activities
 - For acquisition and maintenance of collection equipment
 - As matching funds for state recycling grants
 - To support public education about solid waste and recycling services



Specific Examples of Local Government Expenditures using Solid Waste Disposal Tax in FY 2016-17

- Martin County: support C&D Landfill operations
- Person County: support the processing of recyclable materials diverted from disposal
- Stedman: to assist with the cost of providing waste collection and disposal
- Fuquay-Varina: support public curbside recycling program



Questions?

